



STATE BOARD OF EQUALIZATION

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DOUGLAS D. BELL
Executive Secretary

No. 78/95

June 2, 1978

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 20

In compliance with your Legislative Committee's proposal that you be informed of the various property tax bills and amendments being proposed in the State Legislature, we submit to you those measures introduced or amended recently that have reached our office.

We are including only those bills or constitutional amendments that we feel are of importance to you as an assessor. Bills concerning the functions of the tax collector, auditor, and other county or special district officials will usually be excluded.

Copies of bills and amendments introduced may be obtained by placing orders with the Legislative Bill Room (State Capitol, Room 1149, Sacramento, 95814).

ASSEMBLY BILLS

No. 2023 - Amended May 24, 1978

An act to amend Sections 6443, 6501, 6531, 6550, 6570, 6571, and 6631 of, to add Sections 6505 and 6530.5 of, and to repeal Section 6505 of, the Streets and Highways Code, relating to the Improvement Act of 1911.

(1) Under the Improvement Act of 1911, the treasurer is required to send a card, not later than April 1st and October 1st, to the owner of property for which assessments are delinquent stating the amount due and the date when payment is due from him on the assessment and stating that the payment is subject to penalty if not paid on or prior to the due date.

The bill would require the card to include, in English and Spanish in 14-point boldface type, stating that the property will be sold if the assessments are not paid and that the assessments are not related to property tax.

(2) Under the act, the treasurer is required to send a notice of sale to any owner of property to be sold for nonpayment of assessment.

The bill would require that the notice include, in English and Spanish in 14-point boldface type, a warning that the property will soon be sold unless payment is made. The telephone number of the foreclosure clerk at the treasurer's office would be included in the notice.

(3) Under the act, the day specified in the notice of sale may not be less than 30 days from the date of the first publication of the notice. At least 15 days prior to the sale, the treasurer is required to send a copy of the notice to the bondholder and to the property owner as shown on the last equalized roll and the person to be shown as the owner on the next roll.

ASSEMBLY BILLS (Contd.)No. 2023 - (Contd.)

The bill would revise the above periods to 45 days and 30 days respectively.

The treasurer would be required to send, with the copy of the notice of sale, to the property owner and such person another notice in English and Spanish in 14-point boldface type, stating that the treasurer has arranged to sell the property at a specified date unless the delinquency debt is paid by that date. The telephone number of the foreclosure clerk would be included in the second notice.

(4) Under the act, the owner of any property sold for nonpayment of assessment may redeem the property within 12 months from the date of sale or before application by the purchaser for a deed.

The bill would require the treasurer, within 10 days of the issuance of a certificate of sale, to send by first-class mail to the owner of the property as shown on the last equalized assessment roll and the person to be shown on the next roll a notice, in English and Spanish in 14-point boldface type, stating that the property was sold for failure to pay for the improvement, but that there is still at least 11 months to make the necessary payment to save the property. The telephone number of the foreclosure clerk would be included.

(5) Under the act, redemption of property may be made by payment to the treasurer of an amount which, among other things, includes the purchase money.

The bill would require the amount for redemption to include, among other things, the amount due on the bond rather than the purchase money.

(6) Under the act, the purchaser of the property is required, at least 30 days prior to the expiration of the time of redemption or 30 days before his application for a deed, to request the treasurer to send, by certified mail, to the property owner a notice stating the intention of the purchaser to apply for a deed. The treasurer is required to mail and post the notice by such 30-day period. In addition, the notice is required to be personally served on the owner.

The bill would increase the above periods from 30 days to 60 days.

The bill would also require the notice to state, in English and Spanish in 14-point boldface type, that the property has been sold, but may be saved by paying what is owed by a specified date. The notice would include the telephone number of the foreclosure clerk.

The bill would delete the requirement that the owner be personally served if the treasurer executes a certificate stating, among other things, that the owner could not, with reasonable diligence, be so served during the 60-day period.

(7) Under the act, the purchaser, within 60 days of the purchase of property for delinquency, may send to the person to whom the property is assessed for taxation as shown on the last equalized assessment roll and to the legal owner as shown in the recorded deed a copy of the certificate of sale by registered mail. If a copy is so sent, no action may be commenced to attack the validity of the sale after 1 year of the date of sale.

The bill would require that the copy of certificate of sale be sent by first-class mail also and would bar any such action 1 year after the date of mailing the copy. The bill would require that notice be sent also. The notice would be in English and Spanish in 14-point boldface type stating that the property has been sold for nonpayment of assessments and that the validity may be contested within 1 year of the date of the mailing of the notice.

ASSEMBLY BILLS (Contd.)No. 2023 - (Contd.)

(8) Under the act, any action contesting the validity of a deed issued for the purchase of property because of nonpayment of assessment, or the validity of the proceedings subsequent to the issuance of the certificate of sale, is required to be brought within 6 months after the issuance of the deed.

The bill would extend the above period to 12 months.

(9) Under the act, the treasurer is required to reinstate any delinquent bond upon payment to him of all principal and interest coupons delinquent at the time of reinstatement together with enumerated penalties and costs.

The bill would authorize the treasurer also to collect \$3 for ascertainment of the name and address of the property owner in such a case.

(10) The bill would provide that neither appropriation is made nor obligation created for reimbursement of any local agency for any costs incurred by it pursuant to this bill for a specified reason.

No. 2130 - Amended May 22, 1978

An act to amend and renumber Section 6460.1 of, to add Section 6460.1 to, and to add Chapter 14.5 (commencing with Section 5330) to Division 7 of, the Streets and Highways Code, relating to the Improvement Act of 1911, and declaring the urgency thereof, to take effect immediately.

Under the Improvement Act of 1911, the bond issued for the unpaid assessment on any parcel of land is secured by the parcel.

This bill would authorize such bond, in the case of Indian-owned land, as defined, to be secured by a possessory interest created by a lease with a remaining term of at least 15 years beyond the term of the bond, with the consent of the Bureau of Indian Affairs, the fee owner, and any owner of an existing prior recorded possessory interest in the land.

The bill would take effect immediately as an urgency statute.

No. 2265 - Amended May 22, 1978

An act to amend and repeal Section 227 of the Revenue and Taxation Code, relating to taxation.

Under existing property tax law, a documented vessel is assessed at 1% of its full cash value, from the lien date in 1975 to the lien date in 1979, inclusive, if it is engaged or employed exclusively in carrying or transporting 7 or more people for hire for commercial passenger fishing purposes.

Existing law also provides procedures for claims to be submitted by units of local government for reimbursement of property tax revenues lost as a result of such provision from funds continuously appropriated to the Controller for such purposes.

This bill would continue the application of the special assessment only through the 1979-1980 fiscal year but would extend the termination date from March 1, 1979, to January 1, 1980.

No. 2352 - Amended May 23, 1978

An act to amend Sections 129 and 215.5 of the Revenue and Taxation Code, relating to taxation.

ASSEMBLY BILLS (Contd.)No. 2352 - (Contd.)

Under existing law, business inventories qualify for an exemption from property taxation, as specified by the Legislature, pursuant to provisions of the California Constitution which authorize the Legislature to classify or exempt personal property for taxation purposes.

This bill would define business inventories to include certain property incorporated into real property.

Under existing law personal property owned or leased by a noncommercial educational television or FM radio broadcast station is exempt from property taxation.

This bill would exempt the personal property owned or leased by a non-commercial educational AM radio broadcast station from property taxation.

No. 2482 - Amended May 23, 1978

An act to amend Section 16113 of the Government Code, and to amend Section 991 of the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Under existing law, all property is taxable unless otherwise exempted. Presently, 50% of the assessed value of business inventories is exempt from property taxation. Such exemption increases in specified increments, annually, until 100% of the assessed value of business inventories is exempted for the 1982-83 fiscal year and thereafter. Procedures have been established for computing revenue losses caused by such exemption, and the state reimburses entities of local government in full for the amount of such losses.

Existing law prescribes a tax of one-tenth of 1% on baled cotton.

The bill would increase such tax to two-tenths of 1% and include such goods within the exemption for business inventories.

Under existing law, local agencies receive a subvention from the state for revenues lost by reason of the exemption of business inventories through a continuous appropriation of money from the General Fund to the Controller to make such subventions, based on an inventory revenue amount.

This bill would affect the computation of the inventory revenue amount which is subvented to local agencies and would thus affect the continuing appropriation for such purpose.

The bill would also require the Controller to report the amount of claims of local agencies for state reimbursement of property tax revenues lost as a result of this enactment.

The provisions of the bill would be repealed unless the proposed constitutional amendment known as the "Jarvis-Gann Initiative" is rejected by the voters.

The bill would take effect immediately as an urgency statute and would apply to taxes and reimbursements for the 1978-1979 fiscal year.

No. 2663 - Amended May 23, 1978

An act to amend Sections 408, 13402, 13841 and 15441 of, to add Sections 13309.1, 13406.1, 15112.1 and 15207.1 to, to amend the heading of Chapter 7 (commencing with Section 14051) of Part 8 of Division 2 of, to add an article heading immediately to precede Section 14051 of, to add Article 2 (commencing with Section 14071) to Chapter 7 of Part 8 of Division 2 of, the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

ASSEMBLY BILLS (Contd.)No. 2663 - (Contd.)

Existing law requires a county assessor to disclose information, furnish abstracts or permit access to all records in his office to specified local and state officers and agents.

This bill would require that a county assessor also disclose information, furnish abstracts or permit access to such records to inheritance tax referees.

Under existing Inheritance and Gift Tax Law, as revised by the Tax Reform Act of 1977, gifts made by a decedent are taken into consideration for the purpose of fixing inheritance taxes.

This bill provides that only those gifts shall be considered which were made after December 31, 1976 in the computation of inheritance taxes and shall authorize an inheritance tax credit equal to the gift tax paid on any gift made prior to December 31, 1976, which is included in the computation of inheritance taxes, with certain limitations.

Existing Inheritance and Gift Tax Law exempts from such taxes gifts to certain public entities and organizations which are exempted from taxation.

This bill would impose a tax, at the rate of $\frac{1}{2}\%$ of the clear market value of the property, on transfers to certain tax-exempt private foundations, as defined.

This bill would also provide that there shall be no reimbursement of local agencies for costs incurred by them pursuant to this act for specified reasons.

The bill would take effect immediately as an urgency statute.

No. 2719 - Amended May 23, 1978

An act to amend Section 408.1 of the Revenue and Taxation Code, relating to taxation.

Under existing property tax law, the county assessor is required to maintain a list of property transfers in the county, other than transfers of undivided interests, which have occurred within the prior 2-year period, with specified information regarding such transfers. Such list is required to be open to inspection by any assessee who has filed a timely application for reduction of his assessment before the local board of equalization or assessment appeals board upon payment of a specified fee, which is presently \$10.

This bill would allow any person to inspect the list of property transfers, ~~upon payment of the fee~~ and would allow any person to inspect the list of property transfers, and would authorize the assessor to require payment of a fee equal to the cost of such inspections, not to exceed \$10.

No. 2754 - Amended May 26, 1978

An act to add Section 10752 to the Vehicle Code, relating to vehicles.

A camper is defined, generally, as a structure providing facilities for human habitation, designed to be mounted upon a motor vehicle. A camper is not required to be registered or identified.

This bill would make it unlawful to manufacture a camper after July 1, 1979, unless the manufacturer's serial or identification number, as specified, was legibly stamped onto, or permanently affixed to the exterior of the camper.

ASSEMBLY BILLS (Contd.)No. 2754 - (Contd.)

In addition, the sale by a retailer of a new camper without a manufacturer's serial or identification number would be prohibited on or after ~~July 1, 1979~~ January 1, 1980.

The bill would provide that, notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section for a specified reason.

No. 2979 - Amended May 17, 1978

An act to amend Sections 65302, 65860, 66453, and 66499.37 of, and to add Sections 65302.9, 65860.5, 65864, 66412.5, 66473.6, and 66499.38 to, the Government Code, to amend Section 39601 of, to add Section 51350.5 to, and to add Division 32 (commencing with Section 54000) to, the Health and Safety Code, to amend Sections 21000 and 21001 of, and to add Section 21080.2 to, the Public Resources Code, to add Section 17041.7 to, and to add Chapter 2.6 (commencing with Section 23450) to Part 11 of Division 2 of, the Revenue and Taxation Code, and to amend Section 13142 of, and to add Section 1259 to, the Water Code, relating to housing, and making an appropriation therefor.

(1) Present law requires counties and cities to adopt general plans containing, among other things, an element on housing.

This bill would revise the requirements for the housing element, limit the grounds for challenging general plans and amendments thereto, and specify that a zoning ordinance shall not be found to conflict with the general plan solely because the general plan fails to conform to state guidelines for the preparation thereof. This bill would specify planning policies for local government with respect to development of housing.

(2) Nothing in present law requires a county zoning ordinance or subdivision approval to comply with a city's general plan.

This bill would enact such requirements with respect to territory outside a city meeting prescribed criteria and located within the city's sphere of influence, as determined by the local agency formation commission.

(3) Nothing in present law authorizes administrative appeals to a state agency with respect to matters involving local subdivision approvals.

This bill would make an appeal to the Secretary of the Business and Transportation Agency a prerequisite to judicial action challenging such local action on the basis of specified housing policy set forth in the bill.

(4) The law does not presently require that standards and regulations of the State Air Resources Board, state policy for water quality control, and water quality objectives of regional water quality control boards give recognition to state housing policy.

This bill would enact such a requirement, and would require consideration of a prescribed state housing goal by the State Water Resources Control Board, when acting upon applications to appropriate water.

(5) Present state law does not grant priority in the provision of assistance to counties and cities having housing assistance plans adopted pursuant to the federal Housing and Community Development Act of 1974.

This bill would require such priority in making loans under the California Safe Drinking Water Bond Law of 1976 and in the development of regional transportation plans and guidelines of the California Transportation Commission for the preparation of state and regional transportation improvement programs.

ASSEMBLY BILLS (Contd.)

No. 2979 - (Contd.)

(6) The California Environmental Quality Act does not presently contain a specific exemption for construction of housing in urban areas.

This bill would exempt the construction of housing in urban areas from the requirements of such act if consistent with a local general plan, specific plan, or redevelopment plan. This bill would also revise the policy declarations contained in such act.

(7) Nothing in present law authorizes the Secretary of Business and Transportation to make grants to local governmental entities for activities directly related to the development of housing for persons of low or moderate income.

This bill would authorize such a grant program, prescribe eligibility criteria, and an allocation formula. The bill would establish a Housing Development Grant Fund, which would be continuously appropriated to the Business and Transportation Agency to fund such program.

(8) Nothing in present law requires state or local government surplus lands to be made available on a priority basis for housing for persons and families of low or moderate income.

This bill would provide that excess lands of the Department of Transportation and surplus lands of local agencies be made available on a priority basis for such purpose. Also, the bill would authorize local governmental agencies to petition state agencies to declare state lands surplus and to sell such land to the petitioning local governmental agency for the development of housing.

(9) Nothing in present law specifically authorizes the conduct of a state rental-subsidy program in connection with the development of privately owned rental housing for persons of low or moderate income.

This bill would authorize such a program, to be administered by the California Housing Finance Agency pursuant to contracts with private developers of housing under which housing would be developed on land leased to the developer by the agency, and a specified proportion of the units developed would be allocated to eligible tenants with rents subsidized by the agency from amounts paid by the developer under the land lease. The agency would be empowered to issue an additional \$200,000,000 of revenue bonds for purposes of this program.

(10) Under the Zenovich-Moscone-Chacon Housing and Home Finance Act, the California Housing Finance Agency is empowered to issue not more than \$450,000,000 in revenue bonds, excepting refunding and renewal bonds.

This bill would expand the bonding authority of the agency by an unspecified amount in addition to the new bonding authority described in (9) above.

(11) Present law prohibits discrimination in the rental of housing in various cases.

This bill would prohibit termination of a housing tenancy based on the age of the tenant or the presence of children in his or her household, unless the housing is unsafe for the tenant or the tenant's children.

(12) Nothing in state law authorizes a city or county to irrevocably commit lands to residential uses, or provides for an irrevocable commitment of land to residential uses based upon investment in urban services.

ASSEMBLY BILLS (Contd.)No. 2979 - (Contd.)

This bill would permit a city which has adopted a housing assistance plan under federal law to make such an irrevocable commitment by adoption of a resolution if the land has been designated for residential use by zoning or rezoning or by a general or specific plan. This bill would also provide that land shall be deemed irrevocably committed to residential uses if a substantial investment has been made to provide urban services to the land by a public agency or by a private party acting pursuant to local governmental requirements, plans, or development approvals and provided the land is zoned, rezoned, or designated on the general or a specific plan for residential use.

(13) Under existing Personal Income Tax Law and Bank and Corporation Tax Law, nonowner-occupied residential dwellings are treated as capital assets and taxed accordingly.

This bill would, in addition, impose a speculation tax on the gain on the sale or exchange of nonowner-occupied residential dwellings, in excess of 1, at a 50% rate for such dwellings sold less than 1 year after purchase and at a 25% rate for such dwellings sold more than 1 but less than 2 years after purchase. The funds resulting from such speculation tax would be deposited in the Housing Development Grant Fund created by this bill.

(14) This bill would appropriate an unspecified amount from the General Fund to reimburse local agencies for costs incurred by them under the bill.

No. 2986 - Amended May 23, 1978

An act to add Section 202.8 to the Revenue and Taxation Code, relating to property taxation.

Under the existing law, property of the public school system and of institutions of higher education is exempt from property taxation. However, some uses of tax-exempt property by private parties have been held to be taxable possessory interests.

This bill would specify that the exemptions from property taxation for property of the public school system and institutions of higher education apply to all interests of students and their families in student housing.

The bill would not appropriate any funds to reimburse local governmental agencies for their increased costs for a specified reason.

No. 3080 - Amended May 23, 1978

An act to amend Section 7267.2 of the Government Code, relating to public records.

Existing provisions of the California Public Records Act exempt from the disclosure requirements of the act, subject to certain conditions, the contents of real estate appraisals made for or by a state or local agency relative to the acquisition of property.

This bill would provide that with respect to provisions of the law relating to relocation assistance pursuant to which a public entity may acquire real property, when the property involved is residential property, the homeowner shall, upon request, be allowed to review a copy of the appraisal upon which the offer to acquire the property is based.

ASSEMBLY BILLS (Contd.)No. 3498 - Amended May 22, 1978

An act to amend Section 228 of, and to add Part 5.8 (commencing with Section 11125) to Division 2 of, the Revenue and Taxation Code, relating to vessel taxes, and making an appropriation therefor.

Under existing law, undocumented vessels using the waters of this state are required to be registered and currently numbered. Noncommercial vessels of more than \$400 market value are generally subject to personal property taxation.

This bill would impose a personal property tax of 2% of the first \$50,000 of market value for the privilege of operating noncommercial vessels more than \$1,000 in value and all other vessels which are subject to registration upon the waters of this state, excluding sailing vessels, upon which a personal property tax of 1.5% of the first \$50,000 of market value would be imposed. The rate of tax applied to the market value of vessels in excess of \$50,000 shall be determined according to present law. This tax would be in lieu of all taxes according to value levied for state or local purposes on vessels of a type subject to registration under the Vehicle Code. The bill would also increase the property tax exemption of vessels to a market value of \$1,000 or less.

This bill would further specify that it does not apply to commercial and oceanographic research vessels, as defined.

This bill would appropriate the revenues from such provisions for specified state and local purposes and would appropriate an unspecified amount from the General Fund to the State Controller for reimbursement to local agencies for property tax revenues lost because of this act.

This bill shall not become operative if Proposition 13 on the ballot for the Primary Election to be held on June 16, 1978, is approved by the voters.

No. 3563 - Amended May 23, 1978

An act to amend Section 52317 of the Education Code, relating to regional occupational centers and programs, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

(1) Current law prescribes a method of computing the revenue limit of a county regional occupational center or program, which began operation in the 1975-76 fiscal year.

This bill would prescribe a method of computing the revenue limit of a regional occupational center or program which began operation in the 1976-77 fiscal year or any fiscal year thereafter.

(2) Existing law grants the homeowners' property tax exemption in the amount of \$7,000 of the full value of qualified dwellings and continuously appropriates state funds for subventions to local government to compensate for property tax revenues lost by reason of such exemption.

This bill would increase the amount of such appropriation by authorizing an additional property tax.

(3) This bill would take effect immediately as an urgency statute.

No. 3635 - Amended May 23, 1978

An act to amend Sections 42241, 56031, 56302, 56312, 56317, 56330, 56332, 56332.5, 56335, 56336, 56336.5, 56337, 56339, 56341.3, 56354, 56355, 56362.2, 56367, 56615, 59002, and 59204 of, to add Sections 56006 and 56806 to, and to

ASSEMBLY BILLS (Contd.)No. 3635 - (Contd.)

repeal Sections 41892, 42241, 56144, 56609, 56610, and 56806 of, the Education Code, relating to education, and declaring the urgency thereof, to take effect immediately.

(1) Existing law requires that the Superintendent of Public Instruction withhold a specified amount from amounts otherwise required to be apportioned for special education and gifted programs for research, development, and evaluation of such program.

This bill would delete that provision.

(2) Existing law prescribes a method for increasing or decreasing the revenue limit of a school district based upon the district's contribution for the cost of special education provided in private facilities when public facilities are not available.

This bill would repeal that provision on July 1, 1979, and would limit its application to costs incurred during July 1, 1977, to December 31, 1977.

(3) Existing law prescribes an extensive system for providing education for handicapped pupils, including the development and implementation of an individualized education program. Further, various provisions of federal law provide for the education of handicapped children and require that such children be provided with a free and appropriate education. Admission to special education programs is required to be made only on the basis of an individual assessment and allows a parent who disagrees with the assessment to obtain an independent one.

This bill would authorize the State Board of Education to waive any provision of the Education Code, or regulation adopted pursuant thereto, if such action is necessary either to prevent the hindrance of the implementation of the individualized education program or compliance with the federal requirements.

This bill also would redesignate specific references to "a responsible local agency" in the Education Code to a "Special Education Services Region" as defined.

This bill would require an independent assessment to be made at public expense unless a fair hearing panel determines that the recommended educational assessment and decision obtained by the local educational agency is appropriate.

(4) Current law permits certain private schools to provide educational programs with public funds when an appropriate program is not available in the public schools.

This bill would permit a nonprofit, tax exempt licensed children's institution to be a "private school" within the meaning of the provisions relating to the education of exceptional children in nonpublic schools.

This bill would also specify that pupils so enrolled in nonpublic schools would be included in the computation of state apportionments and revenue limits for the period between January 1, 1978, and June 30, 1978.

(5) Under current law, pupils enrolled in nonpublic schools under a local comprehensive plan for the education of exceptional children are deemed to be enrolled in public schools for all purposes related to making apportionments and allowances from Section A of the State School Fund.

This bill would limit the application of that provision to apportionments made pursuant to a specified chapter.

ASSEMBLY BILLS (Contd.)No. 3635 - (Contd.)

(6) Existing law requires the Commission for Teacher Preparation and Licensing to adopt rules and regulations which prescribe standards for teacher qualifications for each type of special education program.

This bill would prohibit the employment of a person to teach educationally handicapped pupils unless such person holds a valid credential for such service. This bill would also authorize other credential holders to be employed in limited substitute service.

(7) Existing law requires a fair hearing on the issue of whether or not a child should or should not be enrolled in a development center for handicapped pupils, and the parent or guardian disagrees with the decision.

This bill would specify in detail the procedures to be followed in such a case.

(8) Under existing law, the Superintendent of Public Instruction must annually report to the State Board of Education and to the Commission on Special Education in the Department of Education the number of handicapped minors transferred from a state hospital to a regional center or other local agency, who are not currently enrolled in a public or private educational program.

This bill would delete that provision.

(9) Under current law, before initiating any program for educationally handicapped pupils, the governing board of a school district or county superintendent of schools must obtain prior approval of the Superintendent of Public Instruction. Further, admission of minors to specific programs for the educationally handicapped must be made only on the basis of an individual evaluation, as specified.

This bill would delete such provisions.

(10) This bill would take effect immediately as an urgency statute and would, except as specified, become operative on July 1, 1978.

SENATE BILLSNo. 1706 - Amended May 24, 1978

An act to add Section 402.9 to the Revenue and Taxation Code, relating to taxation.

Existing provisions of law provide that, unless otherwise provided in the Constitution, all property is taxable and shall be assessed at the same percentage of fair market value, and further requires that all property so assessed shall be taxed in proportion to its full value.

This bill would prohibit the assessor from considering as income certain subsidy payments made by the federal government to a lender on such property when valuing property for persons of low and moderate income which is financed under Section 236 of the federal National Housing Act.

This bill would specify that there shall be no reimbursement of local governments for tax revenue losses resulting from this act, or for costs incurred pursuant to this act, for a specified reason.

SENATE BILLS (Contd.)No. 1932 - Amended May 22, 1978

An act to amend Sections 5.1 and 5.2 of, and to add Sections 5.8 and 5.9 to, the North Delta Water Agency Act (Chapter 283 of the Statutes of 1973), relating to the North Delta Water Agency.

Under existing law, the North Delta Water Agency is required annually to apportion the amount of money to be assessed for general agency purposes among the counties within which lands lying within the agency are located on the basis of the ratio of the assessed value of the taxable land within the agency shown on the last equalized assessment roll of each county to the total assessed value of all the taxable land within the agency, and the board of supervisors of each such county is required to levy and collect such assessment together with county taxes. Existing law also limits the assessment rate for general agency purposes to 10 cents for each \$100 of assessed valuation.

This bill would change the basis for apportioning such agency assessment among such counties to the ratio of the acreage of the taxable land within the agency shown on the last equalized assessment roll of each county to the total acreage of all the taxable land within the agency.

The bill would also authorize any city, reclamation, irrigation, or water district or other public agency having authority to furnish a water supply and located in whole or in part within the agency to pay for the benefits received within the entity from the operation of the agency on the basis of the ratio between the acreage subject to assessment contained in the entity and in the entire county, in lieu of the assessment otherwise imposed by the agency upon the landowners within the entity. The bill would prescribe the procedure for making such an election or rescinding such an election and for making such payments, and would prescribe related matters.

The bill would authorize the agency board when and if a county advises the board that the county has the capability to apportion the entire assessment within that county on the basis of acreage, to direct a county to collect all assessments within that county on the basis of acreage, and would require the agency to reimburse the county for any additional costs.

The bill would increase the maximum assessment rate for general agency purposes to 20 cents for each \$100 of assessed valuation.

The bill would provide that there shall be no reimbursement for any state-mandated local program for a specified reason.

No. 2215 - May 23, 1978

An act to amend Section 1154 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

Existing law provides that air taxis, other than scheduled air taxis, be assessed in each county in the same manner and at the same ratio as other personal property in the county subject to general taxation.

This bill would provide that such air taxis instead be taxed pursuant to a specified uniform countywide system of property taxation regardless of where they are based in the state.

The bill would also require the Controller to report the amount of claims of local agencies for state reimbursement of property tax revenues lost as a result of this enactment.

TO COUNTY ASSESSORS

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June 2, 1978

SENATE BILLS (Contd.)

No. 2215 - (Contd.)

This bill would take effect immediately as an urgency statute.

Sincerely,

Jack F. Eisenlauer

Jack F. Eisenlauer, Chief
Assessment Standards Division

JFE:sk
Enclosures